

IN THE MATTER OF THE SUPPLEMENTAL PETITION OF
BELL ATLANTIC-NEW YORK FOR AUTHORITY TO
PROVIDE IN-REGION INTERLATA SERVICES IN NEW YORK.

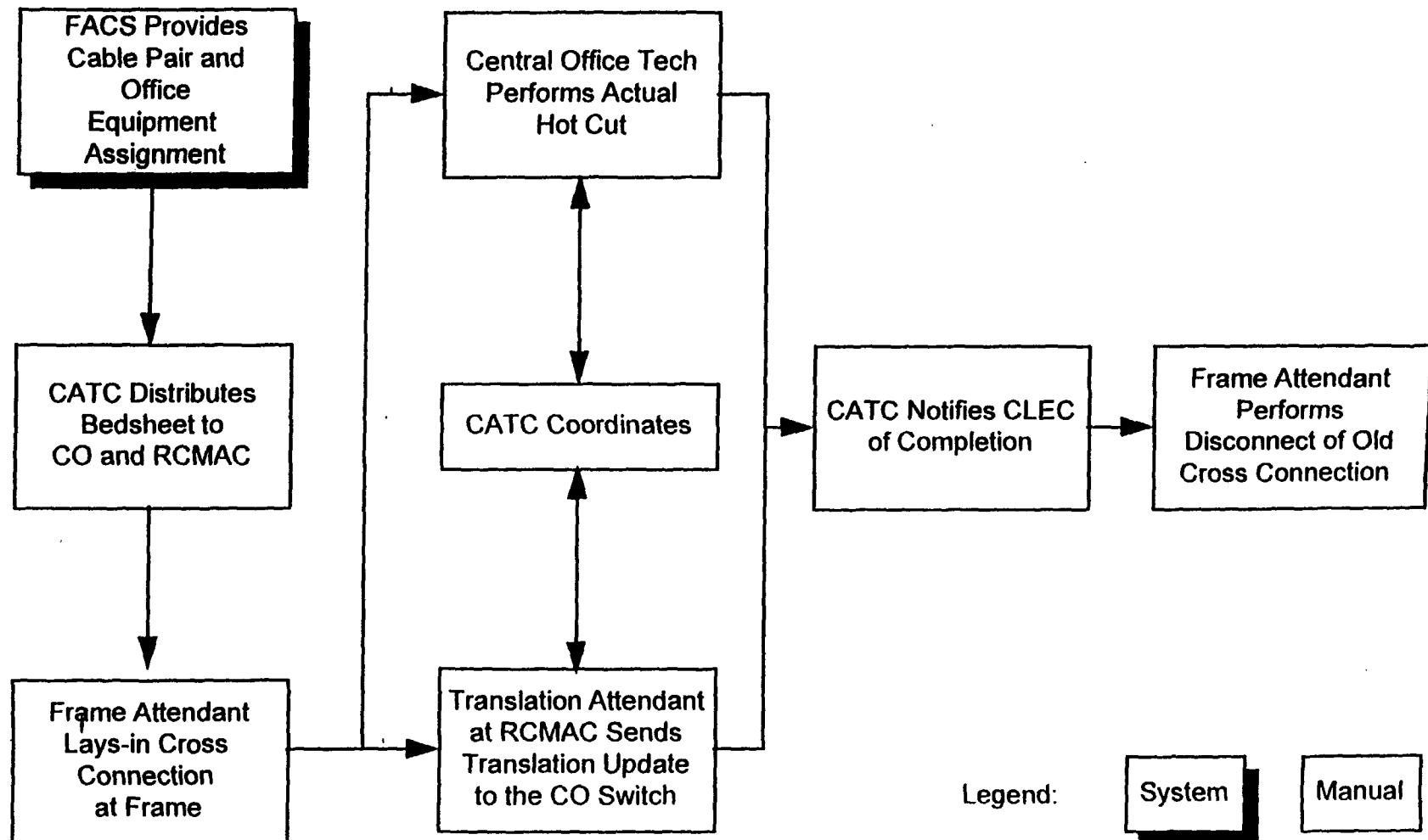
Provisioning Process

Section F

Provisioning Process

- F-1 : Provisioning process overview
- F-2 : UNE-loop hot-cut process flow diagram
- F-3 : Results of provisioning systems parity test
- F-4 : Historical performance
- F-5 : Provisioning metrics for the end-to-end test
- F-6 : Capacity calculations

Hot Cut Provisioning High-Level Process Diagram



Source: Company interviews, process flow diagrams and methods and procedures manuals

Historical average installation interval offered

Definition: Average time from receipt of valid service request (application date) to committed due date. For orders received after 3p.m., the next business day is considered Day 0 Application Date. Excludes customer requested Due Date beyond offered intervals.

Specified Standards: Resale - compare to retail POTS
UNE-platform - compare to retail POTS

Average offered installation intervals (days)

| | Resale | | | UNE Loops | | | UNE Other | | | Retail | | |
|---------------------|--------|------|-------|-----------|------|-------|-----------|------|-------|--------|------|-------|
| | July | Aug. | Sept. | July | Aug. | Sept. | July | Aug. | Sept. | July | Aug. | Sept. |
| Total - No dispatch | 1.9 | 2.0 | 1.9 | N/A | N/A | N/A | 4.4 | 5.0 | 4.9 | 1.0 | 1.2 | 1.2 |
| Dispatch 1-5 lines | 3.8 | 3.8 | 3.8 | 4.4 | 4.9 | 4.2 | 7.8 | 6.3 | 3.8 | 4.8 | 4.9 | 5.0 |
| Dispatch 6-9 lines | 5.7 | 4.8 | 4.8 | 4.1 | 3.5 | 3.4 | N/A | N/A | N/A | 5.3 | 5.8 | 6.7 |
| Dispatch > 9 lines | 3.6 | 6.9 | 3.3 | 5.0 | 6.9 | 6.6 | N/A | N/A | N/A | 7.6 | 7.2 | 6.8 |

Source: BA-NY File 3Q97 Provisioning performance report

N/A: No orders

Historical percentage of appointments missed

Definition: Percentage of lines where completions are not done by due date on order confirmation. Excludes misses where the competing carrier or end user caused the missed appointment.

Specified Standards: Resale - compare to Retail
 UNE POTS - compare to Retail
 UNE-platform - compare to Retail

Percentage of Appointments Missed

| % Missed Appointments | Resale | | | UNE Loop | | | UNE Platform | | | Retail | | |
|-----------------------|--------|-------|-------|----------|-------|-------|--------------|-------|-------|--------|--------|--------|
| | July | Aug. | Sept. | July | Aug. | Sept. | July | Aug. | Sept. | July | Aug. | Sept. |
| Dispatch | 5.32% | 6.49% | 6.70% | 1.94% | 4.35% | 0% | 0% | 0% | 0.08% | 15.92% | 16.59% | 16.04% |
| No Dispatch | 0.06% | 0.12% | 0.13% | 0.32% | 0.41% | 0.73% | 0.48% | 0.56% | 2.50% | 0.20% | 0.25% | 0.23% |
| Facilities | 0.17% | 0.31% | 0.26% | 0% | 0% | 0% | 0% | 0.56% | 0.08% | 0.46% | 0.50% | 0.51% |

Source: BA-NY File 3Q97 Provisioning performance report

Provisioning metrics for the end-to-end test
Metrics for Oct 1- 22, 1997

| | Resale | UNE Platform | Resale Cum. | UNE Cum. | Retail Cum. |
|---|---------------|-------------------------|------------------------|---------------------|------------------------|
| Installation Interval Offered (days) | 1.9 | 1.8 | 2.0 | 3.9 | 0.8 |
| Installation Interval Completed (days) | 1.9 | 1.8 | 2.0 | 3.4 | 0.8 |
| % Missed Appointments | 0.0% | 0.0% | 0.9% | 0.2% | 1.7% |

Source: BA-NY CISR/SOP reports

Resale and UNE-platform measurements are for the test CLEC

Cumulative numbers are for the entire BA-NY region.

Capacity Calculations for the CATC and RCMAC

Daily Capacity Calculations

| Organization | Data Source | Lines per FTE per Hour | Current # FTEs | Productive Hours | Total Capacity |
|--------------|-------------|------------------------|----------------|------------------|----------------|
| CATC | T&M Study | 4.72 | 12 | 7 | 387 |
| RCMAC | T&M Study | 11.00 | 4 | 7 | 308 |

Daily Capacity = (Lines per FTE per Hour) X (Current # FTEs) X (Production Hours)

FTE: Full-time equivalent

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Billing Process

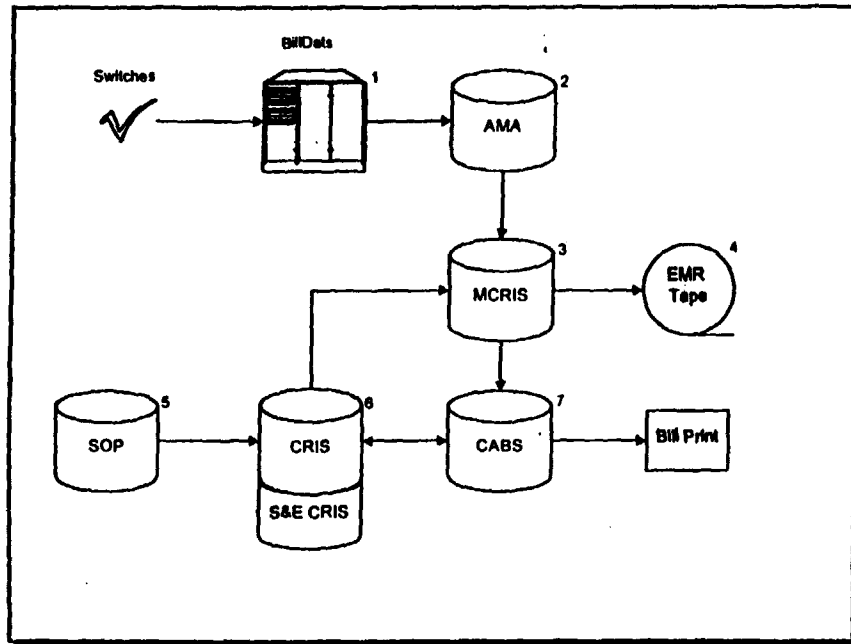
Section G

Billing Process

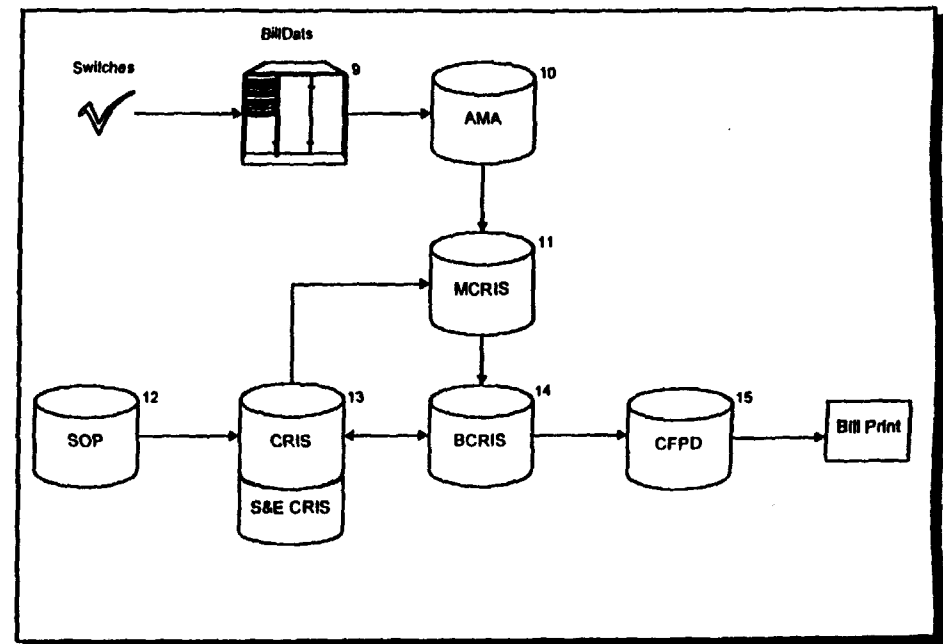
- G-1: Billing systems flow diagram
- G-2: Historical timeliness of daily usage feed
- G-3: Billing usage accuracy (EMR)

UNE billing systems flow

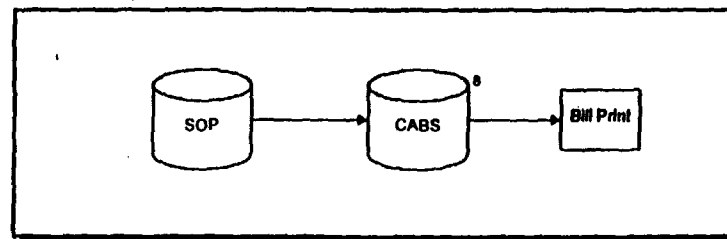
Systems flow for Analog Switch Unbundling, ISDN, Centrex, DS1



Systems flow for UNE Loops



Systems flow for IOF, Collocation and SS7



Results of usage record accuracy analysis (EMR)

| Call Type | Resale | | | | | | UNE Platform | | | | | | Test Result |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| | 516 271-5304 | 516 271-5348 | 516 271-5481 | 516 271-5573 | 516 271-5746 | 516 271-5758 | 516 271-8473 | 516 271-8897 | 516 271-8812 | 516 271-9108 | 516 271-9247 | 516 271-9306 | |
| Local Intra Switch | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| Local Inter Switch | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| Local Toll | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| IXC-In Long Distance call | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| IXC-Out casual dial | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| 800 toll free call | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| 0+ Collect | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| 0- Operator Assist | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| Directory Assistance with Call Completion | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| Information Provider (900 type) | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |
| Phonesmart dial back | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ | No exceptions |

✓ : For given test telephone line, the EMR file contained the expected call record.

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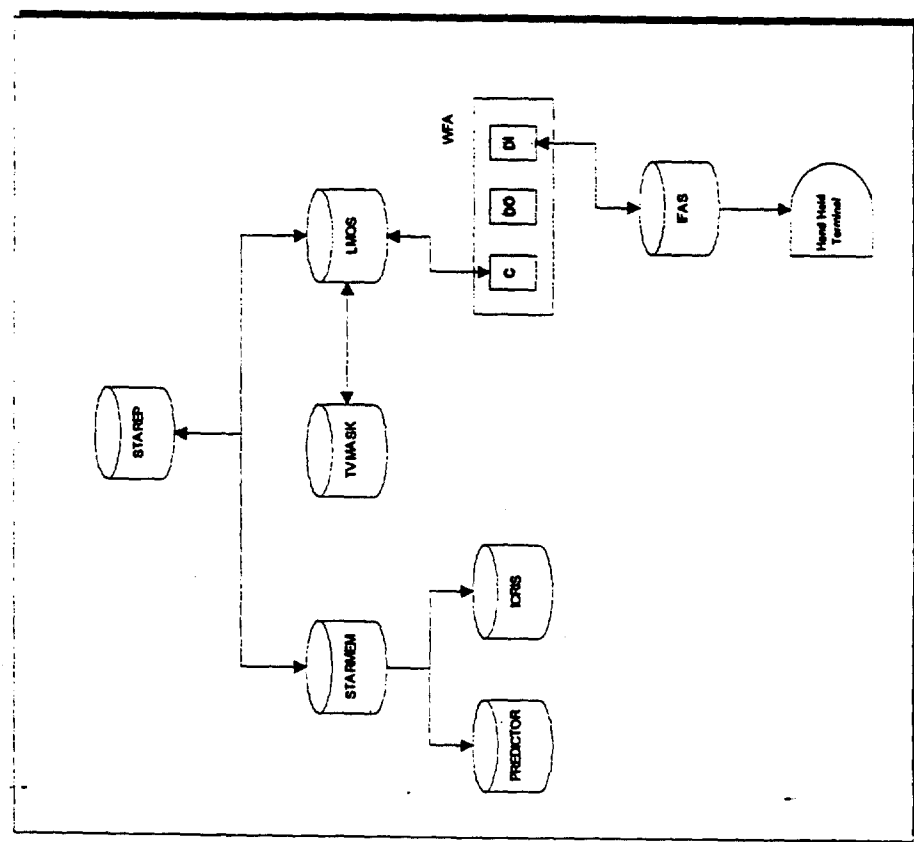
Maintenance and Repair Process

Section H

Maintenance and Repair Process

- H-1: Systems flow
- H-2: RETAS and STAREP Functionality
- H-3: RETAS and STAREP System Interaction Times
- H-4: Repair & Maintenance trouble ticket parity test
- H-5: Historical performance measurements
- H-6: UNE Loop maintenance capacity calculation

Maintenance and repair systems flow - Retail



Comparison of RETAS and STARREP system interaction times

| RETAS Activity | Definition | Average Time (seconds) |
|------------------------------|--|------------------------|
| Trouble Test | | |
| Labor Time | To request an MLT | 19 |
| Machine Time | For the system to return results of the MLT | 61 |
| Labor Time | To interpret the results and decide what to do | 7 |
| Trouble Ticket Create | | |
| Labor Time | To create a trouble ticket request | 86 |
| Machine Time | For the system to return an acknowledgment | 4 |
| Labor Time | To recognize the acknowledgment | 1 |
| Total RETAS Time | | 178 |

| STARREP Activity | Definition | Average Time (seconds) |
|--------------------------|---|------------------------|
| Labor Time | To initiate trouble ticket and request an MLT | 12 |
| Machine Time | For the system to return results of the MLT | 61 |
| Labor Time | To understand the problem and decide what to do | 19 |
| Labor Time | To complete the trouble ticket | 62 |
| Machine Time | For the system to return an acknowledgment | 7 |
| Labor Time | To recognize the acknowledgment | 1 |
| Total STAREP Time | | 162 |

Historical trouble report rates

Definition: Initial customer directed or referred troubles reported where the trouble disposition was found to be a network problem.

Excludes Subsequents, CPE, and found troubles.

Specified Standards: Retail equivalent

| Report rate | Resale | | | | Retail | | | | UNE Loops | | | |
|-----------------|--------|------|-------|-------|--------|------|-------|-------|-----------|------|-------|-------|
| | July | Aug. | Sept. | W.Avg | July | Aug. | Sept. | W.Avg | July | Aug. | Sept. | W.Avg |
| Network trouble | 0.9% | 0.8% | 0.9% | 0.9% | 1.7% | 1.5% | 1.3% | 1.5% | N/A | N/A | N/A | 0.0% |
| Loop trouble | 0.7% | 0.6% | 0.6% | 0.6% | 1.5% | 1.3% | 1.1% | 1.3% | 0.4% | 0.3% | 0.2% | 0.3% |
| CO Trouble | 0.2% | 0.2% | 0.3% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.2% | 0.1% | 0.2% |

Source: Bell Atlantic Maintenance Performance report for 3Q97

Historical mean time to repair

Definition: Average time from trouble receipt to trouble clear time, for Initial Customer Trouble Reports, found to be network troubles.

Specified Standards: Retail equivalent

**Mean time to repair
(hours)**

| | Resale | UNE | Retail |
|-----------|---------------|------------|---------------|
| July | 20.5 | 16.1 | 25.3 |
| August | 19.0 | 20.6 | 25.1 |
| September | 19.1 | 12.4 | 23.2 |
| W.Avg. | 19.6 | 16.8 | 24.6 |

Source: Bell Atlantic Maintenance Performance report for 3Q97

UNE-loop Maintenance Capacity Calculation

The UNE-loop manually-coordinated process currently handles 19 repair calls per day. Capacity to repair UNE loops was calculated as follows:

An average of 9 Central Office Technician's at the CATC are available to manage repair orders per day

- Multiplied by 7 productive hours in a day = 63 work hours per day
- Multiplied by 21 work days in a month = 1,323 available work hours per month
- Divided by the average time it takes to manage a repair call, which is 30 minutes
- Results in a monthly capacity of 2,646 repair calls (Current Volume 300-400 per month)

Assuming an average trouble rate (number of trouble calls as a percentage of the installed base) of 2.86% per month, BN-NY can support 92,517 access lines per month.

these bylaws. All rights, privileges and interests of a member in or to the association shall cease on the termination of membership. Any member may, by giving written notice of such intention to the association's president, withdraw from membership. Such notice shall be presented to the Board of Directors at the next succeeding meeting of the Board of Directors. Withdrawals shall be effective upon fulfillment of all fiscal year obligations.

Section 6. Suspension and Expulsion — Any membership may be suspended or terminated for cause. Sufficient cause for such suspension or termination of membership shall be a violation of these bylaws or any lawful rule or practice duly adopted by the association, or any other conduct prejudicial to the interests of the association. Suspension or expulsion shall be by two-thirds (2/3) vote of the Board of Directors, provided that a statement of the charges shall have been sent by certified or registered mail to the last recorded address of the member at least twenty (20) days before final action is taken thereon. This statement shall be accompanied by a notice of the time and place of the meeting of the Board of Directors at which the charges shall be considered, and the member shall have the opportunity to appear in person to present any defense to such charges before action is taken thereon.

Section 7. Action on Behalf of Association — Only representatives of voting members authorized by the Board of Directors may take positions or express opinions on behalf of the association, and such positions or opinions shall be consistent with those previously approved by the Board.

ARTICLE V - Dues and Assessments

Section 1. The annual dues for each member of the association shall be determined by the Board of Directors. Annual dues may be paid in not more than two (2) installments. The first installment shall be due not later than the date of the annual meeting and must equal at least one-half (1/2) of the annual dues owed by the member. Any remaining annual dues must be paid by each member not later than six (6) months after the annual meeting. If annual dues are not paid within the time limits set forth in this section, the member's membership in this association may be terminated automatically unless the secretary of the association has received full payment of the dues owed by such member within ten (10) days after written notice to the member of the dues outstanding. For new members, dues may be pro-rated based upon procedures as determined by the Board of Directors. Provided that such pro-rated dues are received not later than any annual or special meeting of the association, newly-elected members shall be certified to vote at such meeting. No dues shall be refunded to any member under any circumstances.

Section 2. The Board of Directors may, in its discretion, assess the voting membership

in proportion to the then current dues structure, where the financial condition or special projects of the association are deemed by the Board to require such action.

ARTICLE VI - Meetings

Section 1. Annual -- There shall be an annual meeting of the association during the month of January, unless otherwise ordered by the Board of Directors, for election of members of the Board of Directors, for receiving the annual reports and for the transaction of other business. Notice of such meeting, signed by the chairman or president, shall be mailed to the last recorded address of each member at least thirty (30) days before the time appointed for the meeting.

Section 2. Special -- Special meetings of the voting membership of the association may be called by the chairman or the Board of Directors, or shall be called by the chairman upon written request of ten (10) percent of the voting membership or ten (10) voting members, whichever is greater. Notice of any special meeting shall be mailed to each voting member at his last recorded address at least ten (10) days in advance, with a statement of time and place and information as to the subject or subjects to be considered.

Section 3. The lesser of one-third (1/3) of the total voting membership or twenty-five (25) voting members of the association shall constitute a quorum, and in the case there be less than this number, the presiding officer may adjourn the meeting from time to time until a quorum is present. A majority of voting member attendees, where a quorum is present, shall be necessary to make a decision, except where some other number is required by law or by these bylaws.

Section 4. The order of business at meetings shall be set forth in the agenda prepared by the president at the direction of the Board of Directors, except that when considering bylaws, such consideration shall be the first order of business.

Section 5. The order of business may be altered or suspended at any meeting by a majority vote of the members present. The usual parliamentary rules as laid down in "Robert's Rules of Order" shall govern all deliberations, when not in conflict with these bylaws.

ARTICLE VII - Board of Directors

Section 1. The Board of Directors shall, with the advice and consent of the membership, have supervision, control, and direction of the affairs of the association, shall determine

its policies or changes therein within the limits of the bylaws, shall actively prosecute its purposes and shall have discretion in the disbursement of its funds. It may adopt such rules and regulations for the conduct of its business as shall be deemed advisable, and may, in the execution of powers granted, appoint such agents as it may consider necessary.

Section 2. The Board of Directors shall be composed of eighteen (18) elected directors. Directors shall be nominated and elected from among voting members (as defined in Article IV, Section 1 hereof) on a voting member and not individual basis, such that the elected member firm's representative, under Article IV, Section 3 hereof, shall serve on the Board of Directors.

Section 3. At each annual meeting there shall be elected by ballot in caucus, according to division, eighteen (18) directors of the association, all of whom shall be elected for a term of one (1) year. The membership of the association shall be divided into three (3) divisions, each of which shall elect an equal number of directors, such divisions to be based upon size categories (annualized revenues) as determined or modified from time to time by the Board of Directors. Any director shall be eligible for re-election. Directors shall, upon election, immediately enter upon the performance of their duties and shall continue in office until their successors shall be duly elected and qualified, or unless they resign, are removed or otherwise unable to fill an unexpired term.

Section 4. Meetings -- The Board shall hold a regular meeting at the time and place of the annual meeting. The Board shall otherwise meet (in person or by telephone) upon call of the chairman at such times and places as he may designate and shall be called to meet upon demand of a majority of the directors. Notice of all meetings of the Board of Directors shall be sent by mail or other mode of transmittal to each member of the Board at his last recorded address at least five (5) days in advance of such meetings. Voting by proxy shall not be permitted. In the event a Board member cannot attend a Board meeting, such member may, in his discretion, send a duly designated alternate who shall be an executive officer of the represented member. Such alternate shall have a vote on Board matters and shall be counted for quorum purposes.

Section 5. Quorum -- A majority of the entire Board shall constitute a quorum at any meeting of the Board. Any lesser number may adjourn from time to time until a quorum be present.

Section 6. Voting -- Unless otherwise provided in these bylaws, whenever the Board of Directors is required to take any action or to signify its approval, such action may be taken or such approval given at a meeting (in person or by telephone) of the Board at which a quorum is present, by a majority vote, or by the individual members of the Board, acting separately, by unanimous consent in writing to the chairman of the Board.

Section 7. Absence -- Any member of the Board of Directors unable to attend a meeting shall, in a letter addressed to the chairman or secretary, state the reason for his absence. If a director is absent from three (3) consecutive meetings for reasons which the Board determines to be insufficient, his resignation may, in the discretion of the Board of Directors, be deemed to have been rendered and accepted.

Section 8. Compensation -- Directors shall not receive any compensation for their services as directors, but the Board may by resolution authorize reimbursement of expenses incurred in the performance of their duties.

Section 9. Resignation or Removal -- Any director may resign at any time by giving written notice to the chairman, the secretary, or the Board of Directors. Such resignation shall take effect at the time specified therein or, if no time is specified, at the time of acceptance thereof as determined by the chairman of the Board. Any director may be removed at a regular or special meeting called pursuant to Article VII, Section 4 of these bylaws, at which a quorum is present, by a majority vote of the directors present.

Section 10. Vacancies -- Any vacancies that may occur on the Board by reason of death, resignation or otherwise may be filled by a vote of the remaining members of the Board for a term to expire at the next annual meeting.

ARTICLE VIII - Officers, Staff, Auditing and Legal Services

Section 1. The elected officers of this association shall be a chairman, vice chairman and vice chairman-treasurer. These officers shall be members of the Board of Directors and shall be elected annually by the Board of Directors as the first order of business at the Board's regular meeting.

Section 2. Each elected officer shall take office at time of election and shall serve for a term of one (1) year and until his successor is duly elected and qualified.

Section 3. Vacancies in any office may be filled for the balance of the term thereof by the directors at any regular or special Board meeting.

Section 4. Chairman -- The chairman shall be the principal elected officer of the organization, shall preside at meetings of the association, Board of Directors and the executive committee, and shall be a member ex-officio, with the right to vote, of all committees. He shall also, at the annual meeting of the association and at such other times as he shall deem proper, communicate to the association or to the Board of Directors such

matters and make suggestions as may in his opinion tend to promote the welfare and increase the usefulness of the association, and shall perform such other duties as are necessarily incident to the office of chairman, or as may be prescribed by the Board of Directors. The chairman is not charged with executive or administrative responsibilities in the management and continuing conduct of the association's affairs.

Section 5. Vice Chairman — The vice chairman shall perform all the duties of the chairman in the absence of the chairman and such other duties as may from time to time be assigned by the chairman or Board of Directors.

Section 6. Vice Chairman-Treasurer — The vice chairman-treasurer shall keep an account of all monies received and expended for the use of the association and shall make disbursements authorized by the Board and approved by the chairman and such other officers as the Board may prescribe. All sums received shall be deposited in a bank or banks, or trust company, approved by the Board of Directors. The vice chairman-treasurer shall make a report at the annual meeting or when called upon by the chairman. Funds may be drawn only upon the signature of the vice chairman-treasurer. The vice chairman-treasurer may appoint one (1) or more assistant treasurers to perform such duties as the vice chairman-treasurer may delegate to him or them. The funds, books and vouchers in his hands shall, with the exception of confidential reports submitted by members, at all times be subject to verification and inspection by the Board of Directors.

Section 7. At such time as the Board of Directors by vote shall direct, responsibility for the administration and day-to-day management of the association shall be in a staff head, employed and appointed by, and responsible to, the Board of Directors. He shall have the title of president or such other title as the Board shall from time to time designate. He shall be the chief executive officer of the association with responsibility for the management and direction of all operations, programs, activities and affairs of the association, including employment and termination of employment and the determination of compensation of members of the staff and supporting personnel, functioning within the framework of the policy aims and programs as generally determined by the Board of Directors. He shall have such other duties as may be prescribed by the Board and shall be a non-voting member of the Board of Directors.

Section 8. Secretary — The secretary shall be appointed by the president with the approval of the Board of Directors. It shall be his duty to give notice of and attend all meetings of the association, to keep a record of all proceedings, to attest documents and to perform such other duties as are usual for such official or as may be duly assigned to him.

Section 9. Bonding — At the direction of the Board of Directors, any officer or employee of the association shall furnish, at the expense of the association, a fidelity bond in such

official capacity as may be duly assigned to him.

Section 10. Auditors shall be retained by the association, as determined by the Board of Directors.

Section 11. Legal counsel may be retained by the association in the discretion of the Board of Directors. Counsel shall attend association meetings, as directed by the Board of Directors, and advise the association on legal matters affecting its operations.

ARTICLE IX - Committees

Section 1. The chairman, subject to the approval of the Board of Directors, shall annually appoint such standing, special or subcommittees as may be required by the bylaws or as he may find necessary.

Section 2. Executive Committee -- There may be elected annually by the Board of Directors members thereof who, with the chairman, vice chairman and vice chairman-treasurer, shall constitute the association's executive committee. They may exercise the powers of the Board of Directors when the Board of Directors is not in session, reporting to the Board of Directors at its succeeding meeting any action taken. A majority of the executive committee shall constitute a quorum for the transaction of business. Meetings (whether in person or by telephone) may be called by the chairman or by a majority of the executive committee, and a majority vote of those in attendance, where a quorum is present, shall be necessary to take action.

Section 3. Nominating Committee -- During the month of November the Board of Directors may appoint a nominating committee to nominate candidates for the Board of Directors. The committee shall notify the secretary, in writing at least thirty (30) days before the date of the annual meeting, of the names of the candidates it proposes, and the secretary shall mail a copy thereof to the last recorded address of each voting member at least twenty (20) days before the annual meeting.

Section 4. Independent Nominations -- Nominations for directors may also be made by division caucus at the time of the annual meeting of the association.

Section 5. Hard Copy Vote -- Whenever, in the judgment of the Board of Directors, any question shall arise which it believes should be put to a vote of the voting membership and when the Board deems it inexpedient to call a special meeting for such purpose, the directors may, unless otherwise required by these bylaws, submit such matter to the voting membership in writing by mail for vote and decision, and the question thus

presented shall be determined according to a majority of the votes received by mail within three (3) weeks after such submission to the membership, provided that in each case votes of at least fifty (50) percent of the total voting members shall be received. Any and all action taken in pursuance of such mail vote in each such case shall be binding upon the association in the same manner as would be action taken at a duly called meeting. Voting on any matter, including the election of directors or officers, may be conducted by mail.

ARTICLE XI - Fiscal Year

The fiscal year shall commence on the 1st day of January and shall end on the 31st day of December.

ARTICLE XII - Seal

The association shall have a seal and logo of such design as the Board of Directors may adopt.

ARTICLE XIII - Indemnification

Section 1. The association may indemnify, as determined by the Board of Directors, in the manner and to the full extent permitted by law, any person (or the estate of any person) who was or is a party to, or threatened to be made a party to, any threatened, pending or completing action, suit or proceeding, whether or not by or in the right of the association, and whether civil, criminal, administrative, investigative or otherwise, by reason of the fact that such person is or was a director, officer, committee member, employee, or agent of the association, or is or was serving at the request of the association as a director, officer, committee member, employee or agent of another corporation, partnership, joint venture, trust, association or other enterprise. When required by law, the indemnification provided for herein shall be made only as authorized in the specific case upon a determination, in the manner provided by law, that indemnification of the director, officer, member, employee or agent is proper in the circumstances.

Section 2. The association may, to the full extent permitted by law, purchase and maintain insurance on behalf of any such person against any liability which may be asserted against him. To the full extent permitted by law, the indemnification provided herein shall include expenses (including attorneys' fees), judgments, fines and amounts paid in settlement; and, in the manner provided by law, any such expenses may be paid by the association in advance of the final disposition of such action, suit or proceeding.